

## Age-Friendly Banking Research Presentations

Hector Ortiz: Older Consumers' Banking Status and Habits

-- Hector manages research projects

CFPB did own analysis of FDIC National Survey of Unbanked & Underbanked Households

Most OA are engaging with banking through tellers (84.5%)

Teller remains primary way of interfacing with bank regardless of disability -- but technology uses change based on disability.

Unbanked Households: Who, when, and why?

Just 3.5% of OA are unbanked -- about 1m, mostly they earn less than \$15,000/year

6.6% of those unbanked were banked the prior year

35.5% were banked but more than a year ago

the rest were never banked

30% the main reason they're unbanked is not enough money, 26% that they don't like banks

Direct deposit is a pathway to being banked

3 key trends noticed in CFPB research

Diversity in aging -- complex population

Changing sources of income -- SS is core but increasingly people with liquid accounts like 401k

Technology -- how its changing aging. Each subsequent generation is more technologically savvy -- but there's still a trend to become less involved in technology as you age.

David: The Financial Habits of Consumers Aged 50 or Older

--New internet panel from HHS/SSA

--Nationally representative. Trying to get to longitudinal data.

Financial Management Survey

-Are you banked?

Ppl. in 50s are less banked but become more banked as they age

Majority of older adults don't have investments. Of those who do, the preference seems to be managed by a professional.

14% say they've been taken advantage of in a major financial transaction in the last 3 years. 8% don't know. But when you ask deeper questions, it reveals more fraud has been more common.

When you noticed you were taken advantage of, did you report it? 80% report, 20% don't

Those in their 70s think they're have the same capacity as they did 5 years ago -- but this goes against research. So they don't even know that there's a problem.

Most OA don't ask for advice on financials -- but when they do they're asking a family member first, then a friend. Banking community not even included for the 70s cohort.

The sophistication of fraudsters is increasing -- likely you don't even know you've been victimized.

Claudia: We can't talk about this issue like its happening to other people. It will -- godwilling -- happen to us! We need to be having this conversation in every milieu, increasing the interconnectedness of our conversations. Conversations can be hard (facing mortality and eventual decline). Should also be looking at how this intersects with communities of color, how does that change things?

Likewise socioeconomics, technology, spanish speaking communities.

Let's not talk about "admitting" you have diminished capacity -- the nature of diminished capacity is that you may not be able to see that you have diminished capacity.

What's the average balance of an OA in a bank?

-\$7000 median in a transactional account (checking & savings)

-\$30,000 median amount in CDs (12-13% of all older consumers)